

**REMARKS:**

Claims 1-48 are currently pending in the application. Claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48 stand rejected under 35 U.S.C. § 102(b) over U.S. Patent No. 5,596,502 to Koski et al. ("Koski"). Claims 12, 26, and 40 stand rejected under 35 U.S.C. § 103(a) over Koski in view of the Examiners Official Notice. Claims 14, 28, and 42 stand rejected under 35 U.S.C. § 103(a) over Koski in view of U.S. Patent No. 5,991,728 to DeBusk et al. ("DeBusk").

**REJECTION UNDER 35 U.S.C. § 102(b):**

Claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48 stand rejected under 35 U.S.C. § 102(b) over Koski.

The Applicants have reviewed Koski in detail, particularly looking for a system, method, or software for resource capacity collaboration, relied upon by the Examiner. However, Koski fails to disclose each and every limitation recited by claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48. Thus, the Applicants respectfully submit that claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48 patentably distinguish over Koski.

For example, with respect to independent claim 1, this claim recites:

A method for resource capacity collaboration, comprising:  
accessing an assignment of an item used in producing a product for a customer to a first resource of a factory in a first production period;  
accessing a capacity value representing a capacity of the first resource to process one or more items in the first production period;  
accessing a demand value representing a demand placed on the first resource in the first production period by the assignment of the item to the first resource;  
automatically generating a notification if the demand value exceeds the capacity value;  
automatically communicating the notification to a user associated with the customer; and

reassigning at least a portion of the demand placed on the first resource in the first production period to at least one of a second resource and a second production period. (Emphasis Added).

Independent claims 15, 29, and 43-48 recite similar limitations. Koski fails to disclose each and every limitation of independent claims 1, 15, 29, and 43-48.

The Applicants respectfully submit that Koski has nothing to do with independent claim 1 limitations regarding a resource capacity collaboration. Rather Koski discloses a closed-loop computerized management system for allocation of resources at a workspace at a specified future date and time. (Column 1, Lines 19-27 and Column 5, Lines 17-18). Koski merely describes a system in which the customer lacks visibility into the supply chain, meaning that the customer is completely unaware of how production is proceeding through this closed-loop system. In addition, the customer in Koski is outside of the closed-loop system, with the except of ordering and receiving the entire demand of the product. (Column 12, Lines 51-55). Koski does not disclose, teach, or suggest that the closed-loop computerized management system provides for any input or even visibility to the customer.

The Applicants further submit that Koski does not disclose a resource capacity collaboration, comprising accessing an assignment of an item used in producing a product for a customer to a first resource of a factory in a first production period. Rather Koski merely discloses the reception of an order that is broken down into a set of features of the functionalities desired by the customer. (Column 12, Lines 5-9). Koski does not suggest, teach, or even hint at the assignment of an item and the resources used in producing a product for a customer. Thus, Koski cannot provide a resource capacity collaboration, comprising accessing an assignment of an item used in producing a product for a customer to a first resource of a factory in a first production period, since Koski fails to disclose the assignment of any items or resources used in producing the product in the first place.

The Applicants still further submit that Koski does not disclose a resource capacity collaboration, comprising accessing a capacity value representing a capacity of the first resource to process one or more items in the first production period. Rather, Koski describes an approach to select a particular workspace on a shop floor that will provide the set of features of the functionalities desired by the customer. (Column 12, Lines 24-27). This approach, in Koski, merely allows the manufacturer, not the customer, to select an appropriate path for the workspace along a particular shop floor. Koski does not suggest, teach, or even hint at the selection of a workspace is in anyway associated with the capacity value associated with the capacity of each resource in connection with the production of a product for the customer. Thus, Koski cannot provide a resource capacity collaboration, comprising accessing a capacity value representing a capacity of the first resource to process one or more items in the first production period, since Koski does not even provide for the assessment of the capacity value in the first place.

The Applicants still further submit that Koski does not disclose a resource capacity collaboration, comprising accessing a demand value representing a demand placed on the first resource in the first production period by the assignment of the item to the first resource. Rather, Koski discloses a determination of features to be supplied. (Column 12, Lines 16-19). Koski does not suggest, teach, or even hint at accessing a demand value that is in anyway associated with the demand that is currently placed on each resource in connection with production of a product for a customer. Thus, Koski cannot provide a resource capacity collaboration, comprising accessing a demand value representing a demand placed on the first resource in the first production period by the assignment of the item to the first resource, since Koski does not even contemplate identifying a demand value.

The Applicants still further submit that Koski does not disclose a resource capacity collaboration, comprising: (1) automatically generating a notification if the demand value exceeds the capacity value; (2) automatically communicating the notification to a user associated with the customer; and (3) reassigning at least a portion of the demand placed on the first resource in the first production period to at least one of a second resource and

a second production period. Rather, Koski describes a unilateral response sent to the customer. (Column 12, Lines 53-55). The Applicants direct the Examiner's attention to the cited portions of Koski, relied upon by the Examiner:

If sufficient resources do not exist to meet the customer's demand, a rich response explaining the resource shortfall as well as a best-can-do production figure of the requested delivery time and a time frame to meet the entire demand is related back to the customer at 62. (Column 12, Lines 53-55). (Emphasis Added).

Although, Koski, discloses a response sent to the customer, this response is a unilateral response which merely advises the customers on the new delivery date. Koski does not suggest, teach, or even hint at an automatic notification triggered by the demand value exceeding the capacity value that notifies anyone other than the customer, or the reassignment of the demand on another resource in connection with production of a product for the customer. Thus, Koski cannot provide a resource capacity collaboration, comprising: (1) automatically generating a notification if the demand value exceeds the capacity value; (2) automatically communicating the notification to a user associated with the customer; and (3) reassigning at least a portion of the demand placed on the first resource in the first production period to at least one of a second resource and a second production period, since Koski does not even contemplate: (1) automatic triggering of notification; (2) notification to anyone besides the customer; or (3) reassigning demand.

The Applicants respectfully submit that the allegation in the present Office Action that Koski discloses all of the claimed features is respectfully traversed. Further, it is noted that the Office Action provides no concise explanation as to how Koski is considered to anticipate all of the limitations in independent claim 1. A prior art reference anticipates the claimed invention under 35 U.S.C. § 102 only if each and every element of a claimed invention is identically shown in that single reference. MPEP § 2131. The Applicants respectfully point out that "it is incumbent upon the [E]xaminer to identify wherein each and every facet of the claimed invention is disclosed in the applied reference." *Ex parte Levy*, 17 U.S.P.Q.2d (BNA) 1461, 1462 (Pat. & Tm. Off. Bd. Pat. App. & Int. 1990). The Applicants respectfully submit that the Office Action has failed to establish a prima facie case of anticipation in independent claim 1 under 35 U.S.C. § 102 with respect to Koski

because Koski fails to identically disclose each and every element of the Applicants claimed invention, arranged as they are in Applicants claim.

The Applicants respectfully submit that independent claims 15, 29, and 43-48 includes limitations similar to those discussed above in connection with independent claim 1. Thus, independent claims 15, 29, and 43-48 are considered patentably distinguishable over Koski for at least the reasons discussed above in connection with independent claim 1. Furthermore, with respect to dependent claims 2-14, 16-28, and 30-42: dependent claims 2-14 depend from independent claim 1; dependent claims 16-28 depend from independent claim 15; and dependent claims 30-42 depend from independent claim 29. As mentioned above, each of independent claims 1, 15, 29, and 43-48 are considered patentably distinguishable over Koski. Thus, dependent claims 2-14, 16-28, and 30-42 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

Thus, for at least the reasons set forth herein, the Applicants submit that claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48 are not anticipated by Koski. The Applicants further submit that claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48 are in condition for allowance. Thus, the Applicants respectfully request that the rejection of claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48 under 35 U.S.C. § 102(b) be reconsidered and that claims 1-11, 13, 15-25, 27, 29-39, 41, and 43-48 be allowed.

#### **THE LEGAL STANDARD FOR ANTICIPATION REJECTIONS UNDER 35 U.S.C. § 102:**

The following sets forth the legal standards for "anticipation."

The events that can lead to anticipation can be divided into the following seven categories, all defined by statute:

1. Prior Knowledge: The invention was publicly known in the United States before the patentee invented it.

2. Prior Use: The invention was publicly used in the United States either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.

3. Prior Publication: The invention was described in a printed publication anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.

4. Prior Patent: The invention was patented in another patent anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his application.

5. On Sale: The invention was on sale in the United States more than one year before the patentee filed his application.

6. Prior Invention: The invention was invented by another person in the United States before the patentee invented it, and that other person did not abandon, suppress or conceal the invention.

7. Prior U.S. Patent: The invention was described in a patent granted on a patent application filed in the United States before the patentee made the invention.

Each of those seven events has its own particular requirements, but they all have the following requirements in common:

1. Anticipation must be shown by clear and convincing evidence.
2. If one prior art reference completely embodies the same process or product as any claim, the product or process of that claim is anticipated by the prior art, and that claim is invalid. To decide whether anticipation exists, one must consider each of the elements recited in the claim and determine whether all of them are found in the particular item alleged to be anticipating prior art.
3. There is no anticipation unless every one of those elements is found in a *single* prior publication, prior public use, prior invention, prior patent, prior knowledge or

prior sale. One may not combine two or more items of prior art to make out an anticipation. One should, however, take into consideration, not only what is expressly disclosed or embodied in the particular item of prior art, but also what inherently occurred in its practice.

4. There cannot be an accidental or unrecognized anticipation. A prior duplication of the claimed invention that was accidental, or unrecognized, unappreciated, and incidental to some other purpose is not an invalidating anticipation.

Those four requirements must be kept in mind and applied to each kind of anticipation in issue. The following additional requirements apply to some categories of anticipation.

1. Prior Knowledge: An invention is anticipated if it was known by others in the United States before it was invented by the patentee. "Known," in this context, means known to the public. Private knowledge, secret knowledge or knowledge confined to a small, limited group is not necessarily an invalidating anticipation. Things that were known to the public only outside the United States are not invalidating anticipation.

2. Prior Use: An invention is anticipated if it was used by others before it was invented by the patentee, or more than one year before the patentee filed his patent application. "Use," in this context, means a public use.

3. Prior Publication: A patent is invalid if the invention defined by the Claims was described in a printed publication before it was invented by the patentee or more than one year prior to the filing date of his application. For a publication to constitute an anticipation of an invention, it must be capable, when taken in conjunction with the knowledge of people of ordinary skill in the art, of placing the invention in the possession of the reader. The disclosure must be enabling and meaningful. In determining whether the disclosure is complete, enabling, and meaningful, one should take into account what would have been within the knowledge of a person of ordinary skill in the art at the time, and one may consider other publications that shed light on the knowledge such a person would have had.

4. Prior Patent: If the invention defined by the claims was patented in the United States or a foreign country, either before it was invented by the inventor or more than one year before the inventor filed his patent application, then the invention was anticipated. The effective date for this type of anticipation is the date on which two things co-existed: (i) the owner of the referenced patent had the right to enforce that patent; and (ii) the reference patent was available to the public. What was "patented" in the reference patent is determined by what is defined by its claims, interpreted in the light of the general description.

5. On Sale: A patent is invalid if the invention claimed in it was on sale in the United States more than one year prior to the application filing date.

6. Prior Invention: If the invention defined by the claims was invented by another person, in the United States, before it was invented by the inventor, and that other person did not abandon, suppress, or conceal the invention, the invention lacks novelty. A prior invention, even if put in physical form and shown to produce the desired result, is not an invalidating anticipation unless some steps were taken to make it public. However, it is not necessary that the inventor had knowledge of that prior invention.

7. Prior U.S. Application: A patent is invalid for lack of novelty if the invention defined by the claims was described in a United States patent issued on a patent application filed by another person before the invention was made by the inventor. The effective date of a prior application for purposes of this issue is the date on which it was filed in the United States. Foreign-filed patent applications do not apply. If the issued United States patent claims the benefit of more than one United States application, its effective date as an anticipation is the filing date of the first United States application that discloses the invention claimed in that referenced patent.

Experimental Use Exception: The law recognizes that it is beneficial to permit the inventor the time and opportunity to develop his invention. As such there is an "experimental use" exception to the "public use" and "on sale" rules. Even though the invention was publicly used or on sale, more than one year prior to the application filing date, that does not invalidate the patent, provided the principal purpose was experimenta-



tion rather than commercial benefit. If the primary purpose was experimental, it does not matter that the public used the invention or that the inventor incidentally derived profit from it.

When a public use or sale is shown, the burden is on the inventor to come forward with evidence to support the experimental use exception. Only experimentation by or under the control of the inventor qualifies for this exception. Experimentation by a third party, for its own purposes, does not qualify for this exception. Once the invention leaves the inventor's control, its use is a public one, even if further experimentation takes place.

The experimentation must relate to the claimed features of the invention. And it must be for the purpose of technological improvement, not commercial exploitation. If any commercial exploitation does occur, it must be merely incidental to the primary purpose of experimentation. A test done primarily for marketing, and only incidentally for technological improvement, is a public use.

**REJECTION UNDER 35 U.S.C. § 103(a):**

Claims 12, 26, and 40 stand rejected under 35 U.S.C. § 103(a) over Koski in view of the Examiners Official Notice. Claims 14, 28, and 42 stand rejected under 35 U.S.C. § 103(a) over Koski in view of DeBusk.

The Applicants respectfully submit that Koski or the Examiners Official Notice, either individually or in combination, fail to disclose, teach, or suggest each and every element of dependent claims 12, 26, and 40. Thus, the Applicants respectfully traverse the Examiner's obvious rejection of dependent claims 12, 26, and 40 under 35 U.S.C. § 103(a) over the proposed combination of Koski and the Examiners Official Notice, either individually or in combination.

For example, with respect to dependent claim 12, this claim recites:

The method of Claim 1, further comprising:  
storing at least one access privilege; and

making the assignment, the capacity value, the demand value, and the notification available to a user associated with at least one of the customer, the factory, and a supplier based on the access privilege.  
(Emphasis Added).

Dependent claims 26 and 40 recite similar limitations. Koski or the Examiners Official Notice, either individually or in combination, fail to disclose, teach, or suggest each and every limitation of dependent claims 12, 26, and 40.

The Applicants respectfully submit that the Office Action acknowledges, and Applicants agree, that Koski fails to disclose the emphasized limitations noted above in dependent claim 12. Specifically the Examiner acknowledges that Koski fails to disclose storing at least one access privilege and making the assignment, the capacity value, the demand value, and the notification available to a user associated with at least one of the customer, the factory, and a supplier based on the access privilege. (18 July 2005 Office Action, Pages 11-12). However, the Examiner asserts Official Notice over the acknowledged shortcomings in Koski. The Applicants respectfully traverse the Examiners assertions regarding the Official Notice taken by the Examiner.

The Applicants respectfully submit that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of Koski and the Examiners Official Notice, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Koski and the Examiners Official Notice as proposed. The Office Action merely states that it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Koski regarding providing resource capacity and demand allocation on a computer network, to include the step of providing security access to said network as taught by the Examiners Official Notice. (18 July 2005 Office Action, Page 12). The Applicants respectfully disagree.

The Applicants further submit that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in Koski or the Examiners Official

Notice, either individually or in combination. The Examiner asserts that one of ordinary skill in the art at the time of the invention would have been motivated to modify Koski and the Examiners Official Notice because it would ensure that users who want to access the system have the proper clearance. (18 July 2005 Office Action, Page 12). The Applicants respectfully disagree. The Applicants respectfully request the Examiner to point to the portions of Koski or the Examiners Official Notice which contain the teaching, suggestion, or motivation to combine Koski and the Examiners Official Notice for the Examiners stated purported advantage. The Applicants further submit that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the Examiner has not adequately supported the selection and combination of Koski and the Examiners Official Notice to render obvious the Applicant's claimed invention. The Examiner's conclusory statements that it would have been obvious "to modify Koski, regarding providing resource capacity and demand allocation on a computer network, to include the step of providing security access to said network" and that "it would ensure that users who want to access the system have the proper clearance" does not adequately address the issue of motivation to combine. (18 July 2005 Office Action, Page 12). This factual question of motivation is material to patentability, and cannot be resolved on subjective belief and unknown authority. *Id.* It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, the Office Action fails to provide proper motivation for combining the teachings of Koski or the Examiners Official Notice, either individually or in combination.

The Applicants respectfully submit that the Applicants are confused as to what the Examiner teaches by the Official Notice or even the extent in which the Examiner is taking Official Notice. The Applicants respectfully request clarification as to the subject matter for which the Examiner is taking Official Notice. The Applicants respectfully traverse the Official Notice because the asserted facts, as best understood by the Applicants, are not supported by substantial documentary evidence or any type of documentary evidence and appear to be the Examiner's opinions formulated using the subject Application as a template, which constitutes impermissible use of hindsight. Furthermore, under these circumstances, it is inappropriate for the Examiner to take Official Notice without documentary evidence to support the Examiner's conclusion. (See MPEP § 2144.03). The Applicants respectfully request the Examiner to produce authority for the Examiners Official Notice.

Only "in limited circumstances," is it "appropriate for an examiner to take official notice of facts not in the record or to rely on common knowledge in making a rejection". (MPEP § 2144.03). "Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known. As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which may be taken by the examiner must be 'capable of such instant and unquestionable demonstration as to defy the dispute' (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 U.S.P.Q. 6 (C.C.P.A. 1961))." (MPEP § 2144.03(A)). (Emphasis Added).

"It is never appropriate to rely solely on "common knowledge" in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based. *Zurko*, 258 F.3d at 1385, 59 USPQ2d at 1697. As the court held in *Zurko*, an assessment of basic knowledge and common sense that is not based on any evidence in the record lacks substantial evidence support. *Id.* at 1385, 59 USPQ2d at 1697. See also *In re Lee*, 277 F.3d 1338, 1344-45, 61 USPQ2d 1430, 1434-35 (Fed. Cir. 2002)." (MPEP § 2144.03(A)).

“Ordinarily, there must be some form of evidence in the record to support an assertion of common knowledge. See *Lee*, 277 F.3d at 1344-45, 61 USPQ2d at 1434-35 (Fed. Cir. 2002); *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 (holding that general conclusions concerning what is “basic knowledge” or “common sense” to one of ordinary skill in the art without specific factual findings and some concrete evidence in the record to support these findings will not support an obviousness rejection). The examiner must provide specific factual findings predicated on sound technical and scientific reasoning to support his or her conclusion of common knowledge. See *Soli*, 317 F.2d at 946, 37 USPQ at 801; *Chevenard*, 139 F.2d at 713, 60 USPQ at 241. The applicant should be presented with the explicit basis on which the examiner regards the matter as subject to official notice and be allowed to challenge the assertion in the next reply after the Office action in which the common knowledge statement was made.” (MPEP § 2144.03(B)). (Emphasis Added).

The Applicants respectfully submit that the Office Action provides no documentary evidence to support the Official Notice taken by the Examiner, yet the asserted facts are not capable of “instant and unquestionable” demonstration as being well-known. The Applicants further submit that the Applicants have adequately traversed the Examiners assertion of Official Notice and direct the Examiner’s attention to the pertinent text of the MPEP, which states:

If applicant adequately traverses the examiner’s assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 (“[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings” to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2). (MPEP § 2144.03(C)).

Thus, if the Examiner continues to maintain the rejection of claims 12, 26, and 40 based on the Examiners Official Notice, the Applicants respectfully request that the Examiner provide documentary evidence as necessitated by MPEP § 2144.03(C).

Furthermore, if the Examiner is relying on personal knowledge to support the finding of what is known in the art, the Applicants further request that the Examiner provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding as further necessitated by MPEP § 2144.03(C).

In addition, the Applicants respectfully point the Examiner to the pertinent sections of the MPEP, directly on point to determine whether the next Office Action should be made Final. In particular, the Applicants respectfully direct the Examiner's attention to MPEP § 2144.03(D), which states:

If the examiner adds a reference in the next Office action after applicant's rebuttal, and the newly added reference is added only as directly corresponding evidence to support the prior common knowledge finding, and it does not result in a new issue or constitute a new ground of rejection, the Office action may be made final. If no amendments are made to the claims, the examiner must not rely on any other teachings in the reference if the rejection is made final. If the newly cited reference is added for reasons other than to support the prior common knowledge statement and a new ground of rejection is introduced by the examiner that is not necessitated by applicant's amendment of the claims, the rejection may not be made final. (MPEP § 2144.03(D)).

The Applicants further submit that Koski or DeBusk, either individually or in combination, fail to disclose, teach, or suggest each and every element of dependent claims 14, 28, and 42. Thus, the Applicants respectfully traverse the Examiner's obvious rejection of dependent claims 14, 28, and 42 under 35 U.S.C. § 103(a) over the proposed combination of Koski and DeBusk, either individually or in combination.

For example, with respect to dependent claim 14, this claim recites:

The method of Claim 13, further comprising providing a tree structure to the user in a display, the tree structure comprising the first resource, the additional resource, and at least the demand values for the first resource and additional resource. (Emphasis Added).

Dependent claims 28 and 42 recite similar limitations. Koski or DeBusk, either individually or in combination, fail to disclose, teach, or suggest each and every limitation of dependent claims 14, 28, and 42.

The Applicants respectfully submit that the Office Action acknowledges, and Applicants agree, that Koski fails to disclose the emphasized limitations noted above in dependent claim 14. Specifically the Examiner acknowledges that DeBusk fails to disclose providing a tree structure to the user in a display, the tree structure comprising the first resource, the additional resource, and at least the demand values for the first resource and additional resource. (18 July 2005 Office Action, Pages 12-13). However, the Examiner asserts that the cited portions of DeBusk disclose the acknowledged shortcomings in Koski. The Applicants respectfully traverse the Examiners assertions regarding the subject matter disclosed in DeBusk.

The Applicants have reviewed DeBusk in detail, particularly looking for a resource capacity collaboration, relied upon by the Examiner. (18 August 2005 Office Action, Pages 2-3). However, DeBusk fails to disclose, teach or suggest several of the limitations recited by dependent claim 14. Thus, the Applicants respectfully traverse the Examiner's assertions regarding the subject matter disclosed in DeBusk.

The Applicants respectfully submit that DeBusk has nothing to do with the dependent claim 14 limitations regarding a resource capacity collaboration and in particular DeBusk has nothing to do with dependent claim 14, 28, or 42 limitations regarding providing a tree structure to the user in a display, the tree structure comprising the first resource, the additional resource, and at least the demand values for the first resource and additional resource. Rather, DeBusk describes a method for tracking medical supply usage on a procedure level in a clinical setting. (Abstract). DeBusk does not disclose, teach, or suggest at least one additional resource associated with the factory operable to receive and process a second item from the first resource and further providing a tree structure to the user in a display. Thus DeBusk cannot provide a tree structure to the user in a display, the tree structure comprising the first resource, the additional resource, and at least the demand values for the first resource and additional

resource, since DeBusk does not even provide for an additional resource associated with the factory in the first place.

The Applicants respectfully submit that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of Koski and DeBusk, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Koski and DeBusk as proposed. The Office Action merely states that it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Koski, regarding providing resource and capacity planning to include the step of providing a tree structure containing resource demands to allocate resources in a standardized way to fulfill customer orders. (18 August 2005 Office Action, Page 14). The Applicants respectfully disagree.

The Applicants further submit that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in Koski or DeBusk, either individually or in combination. The Examiner asserts that one of ordinary skill in the art at the time of the invention would have been motivated to modify Koski and DeBusk because it would result in standardization of resource groupings to lower inventory carrying costs. (18 August 2005 Office Action, Page 14). The Applicants respectfully disagree. The Applicants respectfully request the Examiner to point to the portions of Koski or DeBusk which contain the teaching, suggestion, or motivation to combine Koski and DeBusk for the Examiners stated purported advantage. The Applicants further submit that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient



to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the Examiner has not adequately supported the selection and combination of Koski and DeBusk to render obvious the Applicant's claimed invention. The Examiner's conclusory statements that it would have been obvious "to modify Koski, regarding providing resource and capacity planning to include the step of providing a tree structure containing resource demands to allocate resources in a standardized way to fulfill customer orders" and that "it would result in standardization of resource groupings to lower inventory carrying costs" does not adequately address the issue of motivation to combine. (18 July 2005 Office Action, Page 14). This factual question of motivation is material to patentability, and cannot be resolved on subjective belief and unknown authority. *Id.* It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, the Office Action fails to provide proper motivation for combining the teachings of Koski or DeBusk, either individually or in combination.

With respect to dependent claims 12, 14, 26, 28, 40, and 42: claims 12 and 14 depend from independent claim 1; claims 26 and 28 depend from independent claim 15; and claims 40 and 42 depend from independent claim 29. As mentioned above, each of independent claims 1, 15, and 29 are considered patentably distinguishable over the proposed combination of Koski, Debusk, or the Examiners Official Notice, either individually or in combination. Thus, dependent claims 12, 14, 26, 28, 40, and 42 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

For at least the reasons set forth herein, the Applicants submit that claims 12, 14, 26, 28, 40, and 42 are not rendered obvious by the proposed combination of Koski, Debusk, or the Examiners Official Notice. The Applicants further submit that claims 12, 14, 26, 28, 40, and 42 are in condition for allowance. Thus, the Applicants respectfully request that the rejection of claims 12, 14, 26, 28, 40, and 42 under 35 U.S.C. § 103(a) be reconsidered and that claims 12, 14, 26, 28, 40, and 42 be allowed.

## **THE LEGAL STANDARD FOR OBVIOUSNESS REJECTIONS UNDER 35 U.S.C. § 103:**

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); M.P.E.P. § 2142. Moreover, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (CCPA 1974). If an independent claim is nonobvious under 35 U.S.C. § 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); M.P.E.P. § 2143.03.

With respect to alleged obviousness, there must be something in the prior art as a whole to suggest the desirability, and thus the obviousness, of making the combination. *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561 (Fed. Cir. 1986). In fact, the absence of a suggestion to combine is dispositive in an obviousness determination. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573 (Fed. Cir. 1997). The mere fact that the prior art can be combined or modified does not make the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990); M.P.E.P. § 2143.01. The consistent criterion for determining obviousness is whether the prior art would have suggested to one of ordinary skill in the art that the process should be carried out and would have a reasonable likelihood of success, viewed in the light of the prior art. Both the suggestion and the expectation of success must be founded in the prior art, not in the Applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); *In re O'Farrell*, 853 F.2d 894 (Fed. Cir. 1988); M.P.E.P. § 2142.

A recent Federal Circuit case makes it clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35.

**CONCLUSION:**

In view of the foregoing amendments and remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

Although Applicants believe no fees are deemed to be necessary; the undersigned hereby authorizes the Commissioner to charge any additional fees which may be required, or credit any overpayments, to **Deposit Account No. 500777**.

**Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.**

Respectfully submitted,

10/14/05

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